

CALIFORNIA PUBLIC EMPLOYEES' RETIREMENT SYSTEM

BOARD OF ADMINISTRATION

INVESTMENT COMMITTEE

May 16, 2011

Chief Investment Officer's

Consolidated Investment Activity Report

(March 2011 Reporting Period)

CalPERS Asset Allocation – March 31, 2011

General Market Commentary

Many see the rising oil prices as the biggest obstacle that could impede the U.S. economy in the near future. Oil prices have seen nearly a 15% increase in the last two months. The fear of rising oil prices looms even more heavily than government cuts, the crisis in Japan, or the depreciated housing market. Increased tension in Libya coupled with the crisis in the Middle East and North Africa has only fueled to the unease that we may not see oil prices alleviated anytime soon. Rising oil prices translates to higher costs at the pump for consumers which will affect consumer spending and business growth. If oil prices continue to remain this high or increase down the road, economist agree that forecasted growth in the U.S. will need to be reevaluated.

Domestic and International Equities

The S&P 500 index return was flat for the month at 0.0%. Small-cap stocks, as measured by the Wilshire Small Cap Index, were up at 2.2% for the month. Large-cap growth and value stocks were flat in March and returned 0.2% for growth and 0.0% for value (as measured by the Wilshire Large Growth and Value). International equities were down as the MSCI EAFE returned -2.2% in dollar terms and (-2.8% in local currency). Emerging markets were up at 5.9% in dollar terms (as measured by the MSCI EM Index) during the month.

Domestic and International Fixed Income

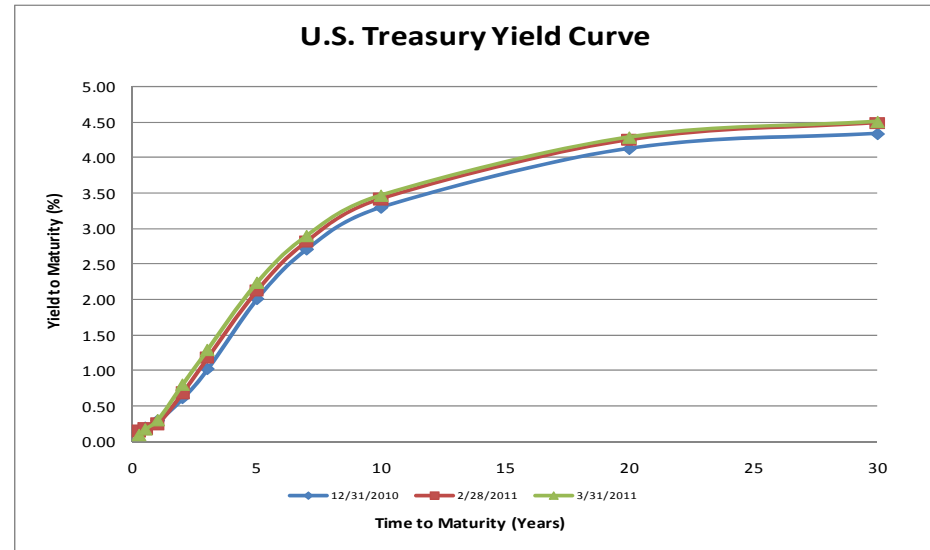
The Barclays Capital Aggregate Bond Index returned 0.1% for March, ahead of the US Treasury return of -0.1% (as measured by BC Intermediate Treasury Index). The BC Long Term Treasury Index returned 0.0% while yields on 30-year Treasury bonds were up from the previous month. U.S. TIPS returned 1.0% (BC U.S. TIPS Index) during March. The high yield bond market returned 0.4% during the month, as measured by the Merrill Lynch High Yield Master II Index. International fixed income markets returned 0.3% while the dollar was down against the euro but up against the yen and pound as measured by the Citigroup World Government Bond Index ex US (unhedged).

Real Estate

Public real estate (as measured by the Wilshire US RESI Index) was negative with a return of -1.4% in March. The NCREIF Index of Real Estate Properties returned 4.6% for the quarter ended December 2010.

Absolute Return Strategies

Absolute Return Strategies (HFRI Fund to Funds Index) returned -0.1% in March and 5.0% for the 12 months ended March 2011.



MARKET INDICATORS	12/31/2010	Direction	2/28/2011	Direction	3/31/2011
1Month LIBOR (fixed in \$)	0.26%	-	0.26%	↓	0.24%
Federal Funds	0.00% -0.25%	-	0.00% -0.25%	-	0.00% -0.25%
10Y Treasury Note Yield	3.30%	↑	3.42%	↑	3.47%
30Y Treasury Bond Yield	4.34%	↑	4.49%	↑	4.51%
Wilshire 5000 Comp	13,290.00	↑	14,002.00	↑	14,036.40
S&P 500	1,257.64	↑	1,327.22	↓	1,325.83
NASDAQ Composite	2,652.87	↑	2,782.27	↓	2,781.07
FTSE 100 Index	5,899.90	↑	5,994.00	↓	5,908.80
Nikkei 225 Index	10,228.92	↑	10,624.09	↓	9,775.10
Yen/\$ (Dollar Strength)	81.11	↑	81.93	↑	82.88
Euro/\$ (Dollar Strength)	0.745	↓	0.724	↓	0.705
GBP/\$ (Dollar Strength)	0.639	↓	0.615	↑	0.624
Crude Oil per Barrel	\$89.84	↑	\$ 96.97	↑	\$106.72
Gold (\$/oz Daily Spot)	\$1,405.50	↑	\$1,411.00	↑	\$1,439.00
GS Commodities TR Index	4,943.41	↑	5,285.08	↑	5,515.06

CalPERS Asset Allocation – March 31, 2011

Summary

- Total Fund Market Value was \$233.6 Billion
- Total Fund Book Value was \$198.9 Billion
- As of March 31, 2011, all asset classes were within their Strategic Target Policy Ranges.

Book to Market Value Comparison

	Book Value ² (\$ Billion)	Market Value ³ (\$ Billion)	Difference (Market – Book) (\$ Billion)
Domestic Equity ¹	\$38.5	\$57.7	\$19.2
International Equity	\$57.2	\$65.2	\$8.0
Global Equity	\$95.6	\$122.9	\$27.3
Domestic Fixed Income	\$33.7	\$44.4	\$10.7
International Fixed Income	\$3.2	\$3.4	\$0.2
Global Fixed Income	\$37.0	\$47.8	\$10.8
AIM	\$32.9	\$32.2	\$0.3
Real Estate	\$21.7	\$17.7	\$-4.0
Inflation Linked	\$7.3	\$8.0	\$0.7
Cash Equivalents	\$4.3	\$3.9	\$-0.3
Total Fund	\$198.9	\$233.6	\$34.7

¹ Included is MDP Investment - LM Capital Investment: Total Book Value=\$241.5 million, Total Market Value=\$248.9 million.

² Total value of assets at cost minus liabilities.

³ Total value of assets at market.

* Figures for this report are rounded for viewing purposes. Calculations are based on actual values. When summing net amounts on this report, there may be breakage.

Top Company Exposures

- As a very significant institutional investor, CalPERS has large exposures to the securities of many corporations either through internal or externally managed portfolios. Consistent with board requested information and in support of the Board of Administration's oversight role, a schedule of the top 20 company exposures is prepared for informational purposes and can be found on Page 4.

CalPERS Top 20 Company Holdings

Global Equity & Global Fixed Income ²

Market Values as of 3/31/2011 ¹

		Global Equity ³			Global Fixed ⁴ Income	Total	
	Company Name	Internally Managed	Externally Managed	Total Equity	Total Fixed Income	Market Value	% of Total Fund
1	EXXON MOBIL CORP	\$1043.3	\$152.0	\$1195.4	\$0.0	\$1195.4	0.51%
2	APPLE INC	\$737.0	\$144.3	\$881.3	\$0.0	\$881.3	0.38%
3	GENERAL ELECTRIC CO	\$510.6	\$79.2	\$589.8	\$268.7	\$858.5	0.37%
4	JPMORGAN CHASE & CO	\$443.4	\$72.1	\$515.5	\$184.8	\$700.2	0.30%
5	AT&T INC	\$462.3	\$50.4	\$512.8	\$175.5	\$688.3	0.29%
6	HSBC HOLDINGS PLC	\$473.1	\$25.0	\$498.0	\$140.2	\$638.2	0.27%
7	MICROSOFT CORP	\$529.4	\$89.7	\$619.1	\$0.0	\$619.1	0.26%
8	WELLS FARGO & CO	\$403.2	\$62.1	\$465.3	\$151.2	\$616.5	0.26%
9	NESTLE SA REG	\$537.6	\$55.9	\$593.6	\$0.0	\$593.6	0.25%
10	CHEVRON CORP	\$523.3	\$69.9	\$593.2	\$0.0	\$593.2	0.25%
11	BANK OF AMERICA CORP	\$328.4	\$62.5	\$390.9	\$201.3	\$592.2	0.25%
12	INTL BUSINESS MACHINES CORP	\$494.5	\$49.0	\$543.5	\$0.0	\$543.5	0.23%
13	CITIGROUP INC	\$302.6	\$47.0	\$349.6	\$172.3	\$521.9	0.22%
14	PFIZER INC	\$375.1	\$56.7	\$431.8	\$65.5	\$497.3	0.21%
15	TOTAL SA	\$395.2	\$81.9	\$477.1	\$0.0	\$477.1	0.20%
16	PROCTER & GAMBLE CO	\$420.3	\$50.6	\$471.0	\$0.0	\$471.0	0.20%
17	WAL MART STORES INC	\$358.6	\$16.7	\$375.4	\$94.2	\$469.6	0.20%
18	BHP BILLITON LTD	\$449.0	\$20.1	\$469.1	\$0.0	\$469.1	0.20%
19	VODAFONE GROUP PLC	\$394.0	\$52.7	\$446.8	\$0.0	\$446.8	0.19%
20	ORACLE CORP	\$397.6	\$44.3	\$441.9	\$0.0	\$441.9	0.19%

¹ In millions

² Only includes Global Equity & Fixed Income assets custodied with master custodian

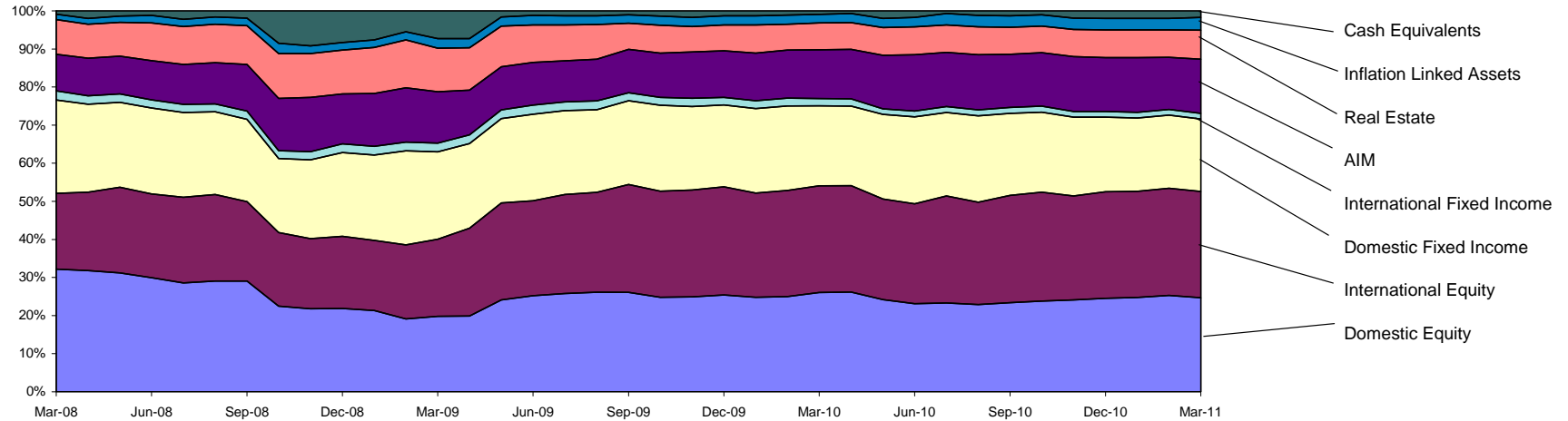
³ Source for Global Equity values: State Street Bank

⁴ Source for Global Fixed Income values: Blackrock Solutions

CalPERS

Asset Allocation as of March 31, 2011

Total Fund Market Value: **\$233,610,771,054**



	Global Equity ²	Domestic Equity ²	International Equity ²	Global Fixed	Domestic Fixed	International Fixed	AIM	Real Estate	Inflation Linked	Cash Equivalents ²	Total Fund
Strategic Target Range %	44-54%			15-25%			9-19%	5-15%	2-5%	0-5%	
Strategic Target %	49.0%	24.5%	24.5%	20.0%	18.0%	2.0%	14.0%	10.0%	5.0%	2.0%	N/A
Actual Investment %	52.6%	24.7%	27.9%	20.5%	19.0%	1.5%	14.2%	7.6%	3.4%	1.7%	N/A
Variance % (Strategic vs. Actual)	3.6%	0.2%	3.4%	0.5%	1.0%	(0.5%)	0.2%	(2.4%)	(1.6%)	(0.3%)	N/A
Strategic Target \$ ¹	\$114.5	\$57.2	\$57.2	\$46.7	\$42.0	\$4.7	\$32.7	\$23.4	\$11.7	\$4.7	\$233.6
Actual Investment \$ ¹	\$122.9	\$57.7	\$65.2	\$47.8	\$44.4	\$3.4	\$33.2	\$17.7	\$8.0	\$3.9	\$233.6
Variance \$(Strategic vs. Actual) ¹	\$8.4	\$0.5	\$7.9	\$1.1	\$2.3	\$(1.3)	\$0.5	\$(5.6)	\$(3.7)	\$(0.7)	N/A
% Passive	68.3%	68.1%	68.4%	0.0%	0.0%	0.0%	0.0%	7.1%	0.0%	0.0%	35.9%
% Active	31.7%	31.9%	31.6%	100.0%	100.0%	100.0%	100.0%	92.9%	100.0%	100.0%	64.1%
% Internal	76.9%	78.4%	75.6%	90.0%	96.9%	0.0%	0.0%	7.1%	65.6%	100.0%	63.4%
% External	23.1%	21.6%	24.4%	10.0%	3.1%	100.0%	100.0%	92.9%	34.4%	0.0%	36.6%

* Figures for this report are rounded for viewing purposes. Calculations are based on actual values.

* When summing amounts on this report, there may be breakage.

* MDP Venture accounts included in MDP's primary asset class. MDP Fixed and CalPERS Hedge Fund roll to External Domestic Equity.

¹ (\$ Billion)

² Equity overlay and lending income are included in International Equity, undistributed lending income is included in Global Equity, currency overlay funds are included in Cash and the Global Equity Cash Account is included in Domestic Equity and Domestic Fixed Income Transition Account is included in Domestic Fixed Income

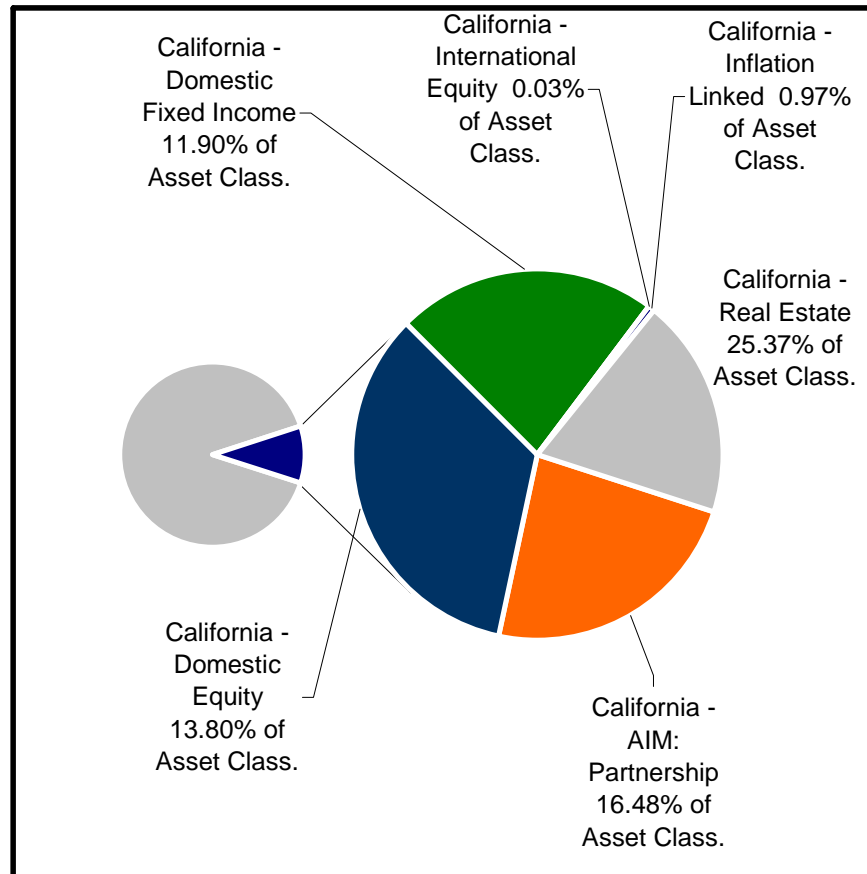
Private Market Commitment as of March 31, 2011							
AIM				Real Estate			
Funded	\$(in Billions)	% Allocation	Target Range	Funded	\$(in Billions)	% Allocation	Target Range
Fair Market Value (FMV)	\$33.20	14.21%	9-19%	Fair Market Value (FMV)	\$17.74	7.59%	5-15%
Unfunded Commitment	\$16.30	6.98%		Unfunded Commitment (as of 2/28/11)	\$6.31	2.70%	
Fair Market Value plus Unfunded Commitment	\$49.49	21.19%		Fair Market Value plus Unfunded Commitment	\$24.05	10.30%	
Infrastructure				Forestland			
Funded	\$(in Billions)	% Allocation	Target Range	Funded	\$(in Billions)	% Allocation	Target Range
Fair Market Value (FMV)	\$4.7	0.20%	0-3%	Fair Market Value (FMV)	\$2.29	0.98%	0-2%
Unfunded Commitment (as of 2/28/11)	\$4.3	0.18%		Unfunded Commitment (as of 2/28/11)	\$0.1	0.00%	
Fair Market Value plus Unfunded Commitment	\$9.0	0.39%		Fair Market Value plus Unfunded Commitment	\$2.30	0.98%	

CalPERS Investments in the State of California – March 31, 2011

The State of California offers CalPERS a number of attractive investment opportunities. The following charts summarize the investments by asset class as of the date of this report. A detailed report on California investments is available in the supplemental reporting document.

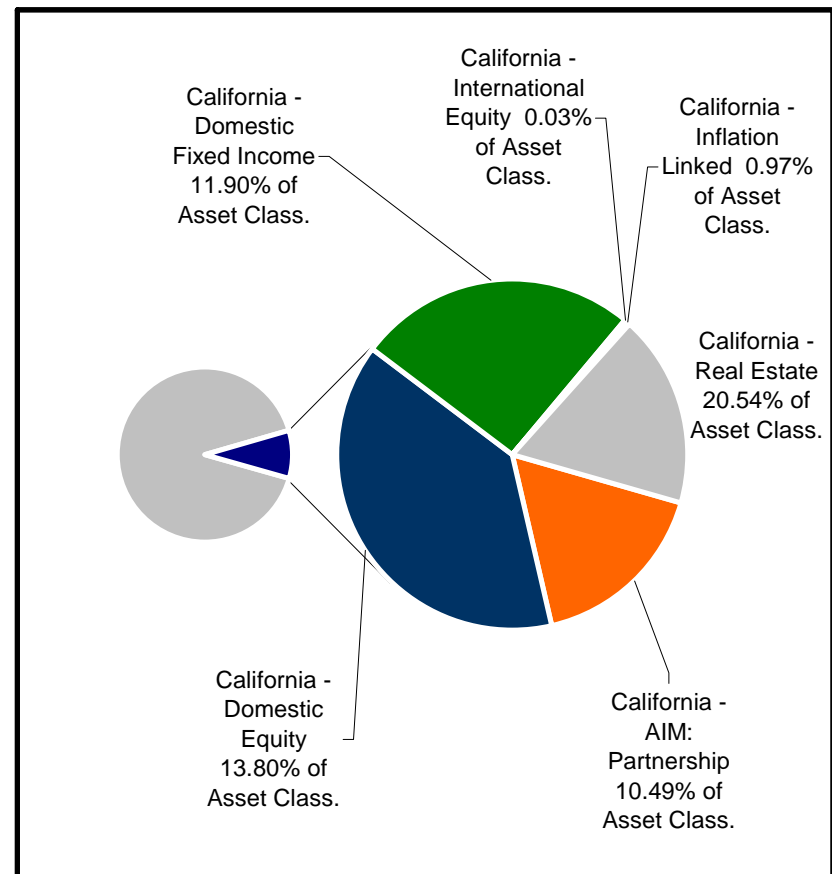
California Investments plus Additional Commitments

Current California Commitments at 3/31/2011 Total Fund %: 9.98%



California Investments

Current California Investments at 3/31/2011 Total Fund %: 8.76%

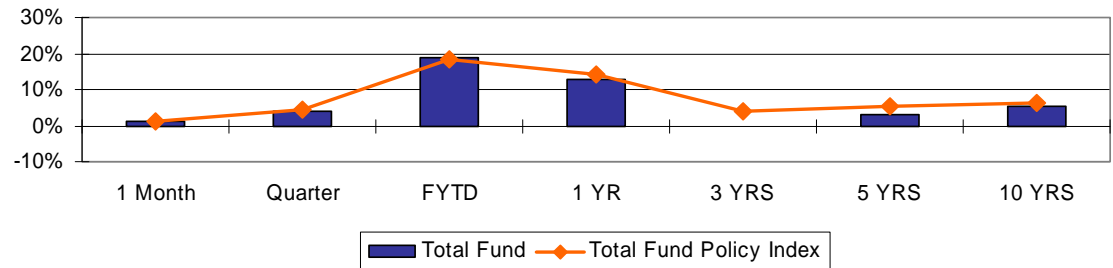


Note: International Equity includes Global Funds that may invest globally, which would include investments in the State of California.

Performance Summary – March 31, 2011

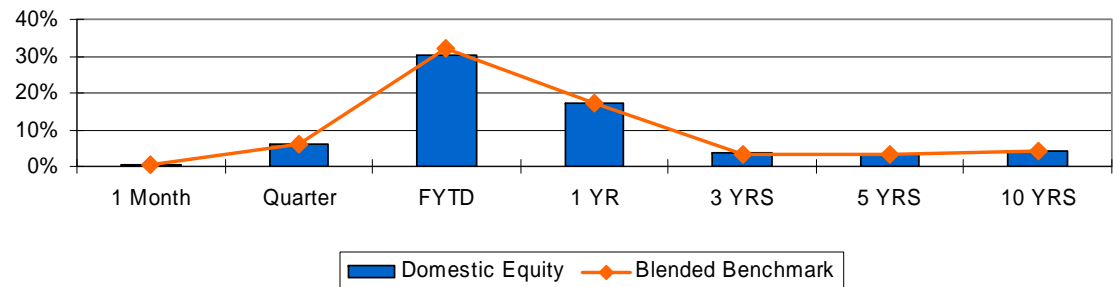
Total Plan:

Net Total Fund returns have underperformed the actual Weighted Total Fund Index in all time periods except the one-month and fiscal-year-to-date periods. Ten-year net returns were 5.49% versus 6.47% for the Actual Weighted Index.



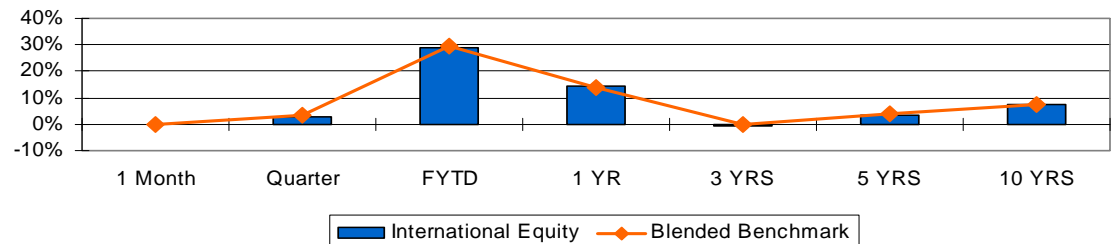
Domestic Equity:

Net Domestic Equity returns have outperformed the blended benchmark in all time periods except the quarter-to-date, fiscal-year-to-date and one-year periods. Ten-year net returns were 4.39% versus 4.21% for the blended benchmark.



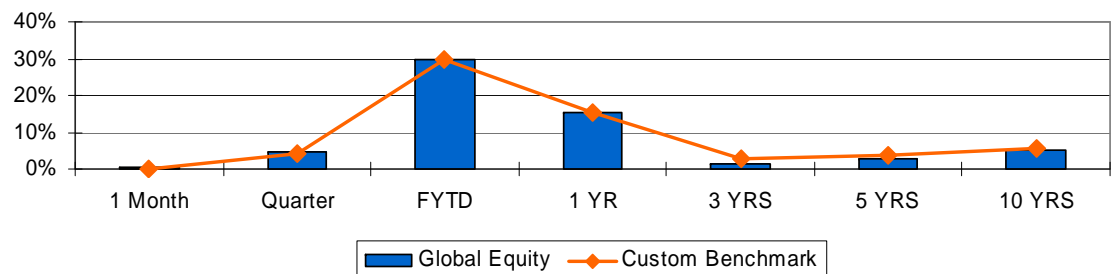
International Equity:

Net International Equity returns have underperformed the blended benchmark in all time periods except the one-month and one-year periods. Ten-year net returns were 7.41% versus 7.69% for the blended benchmark.



Global Equity:

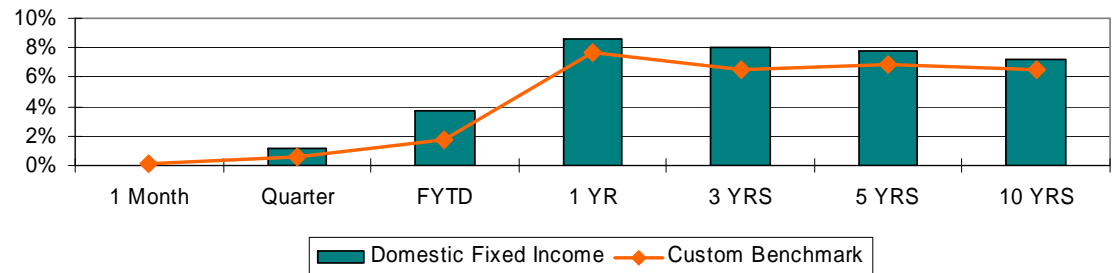
Net Total Global Equity returns have outperformed the benchmark in all time periods except the three-year, five-year and ten-year periods. Ten-year net returns were 5.27% versus 5.54% for the blended benchmark.



Performance Summary – March 31, 2011

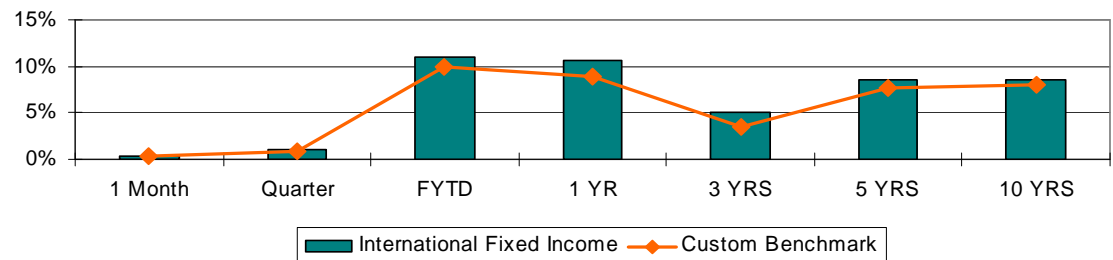
Domestic Fixed Income:

Net Domestic Fixed Income returns have outperformed the benchmark in all time periods except the one month period. Ten-year net returns were 7.25% versus 6.52% for the benchmark.



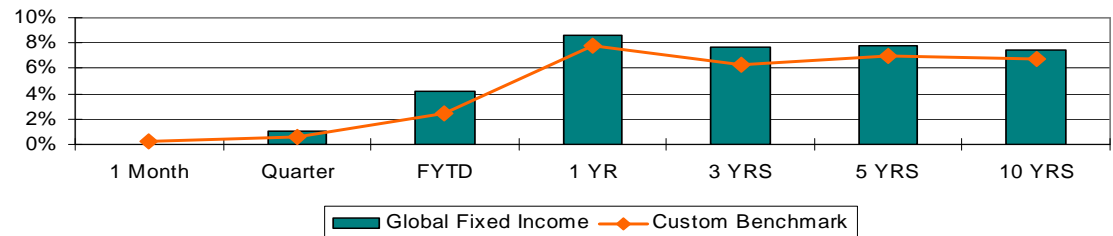
International Fixed Income:

Net International Fixed Income returns outperformed the benchmark in all time periods except the one-month period. Ten-year net returns were 8.53% versus 8.09% for the benchmark.



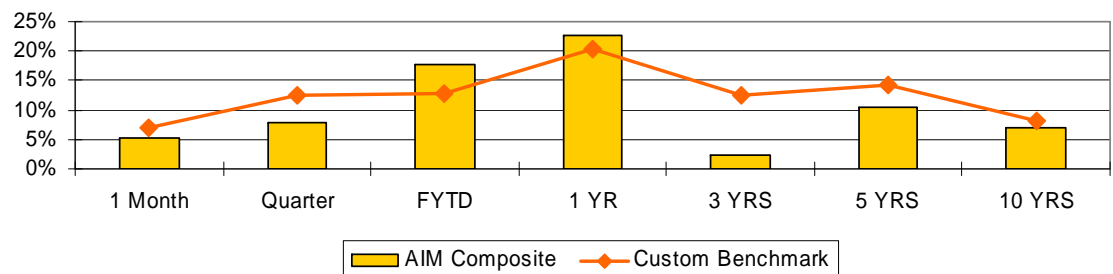
Global Fixed Income:

Net Global Fixed Income returns have outperformed the benchmark in all time periods except the one-month period. Ten-year net returns were 7.47% versus 6.75% for the benchmark.



AIM Composite:

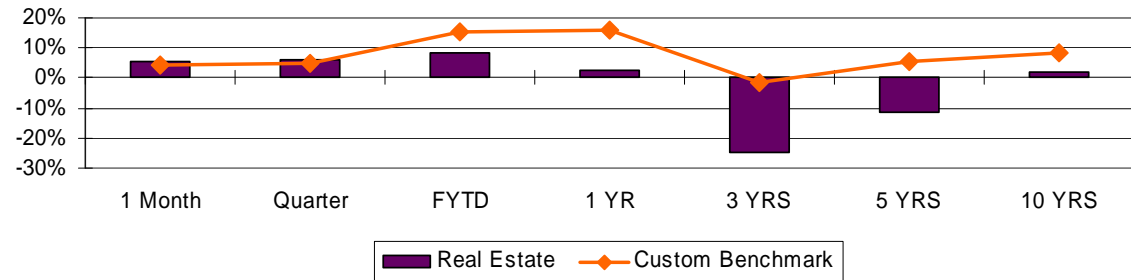
Net AIM Composite returns have underperformed the custom blended benchmark in all time periods except the fiscal-year-to-date, and one-year periods. Ten-year net returns were 6.91% versus 8.28% for the benchmark.



Performance Summary – March 31, 2011

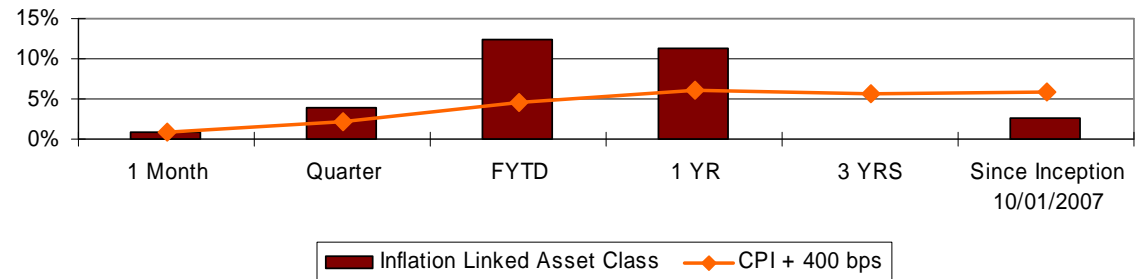
Real Estate:

Net Total Real Estate returns have underperformed the benchmark in all time periods except the one-month and quarter-to-date periods. Ten-year net returns were 1.97% versus 8.28% for the benchmark.



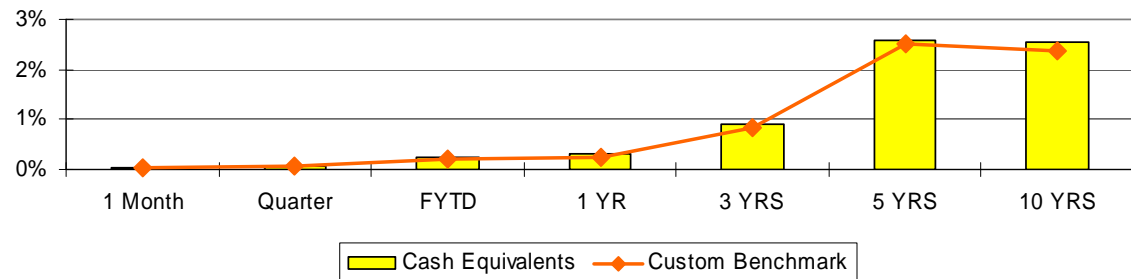
Inflation Linked Assets:

Net returns for the Inflation Linked Assets portfolio have outperformed the benchmark in all time periods except the three-year and since inception periods. Since inception net returns were 2.52% versus 5.87% for the benchmark.



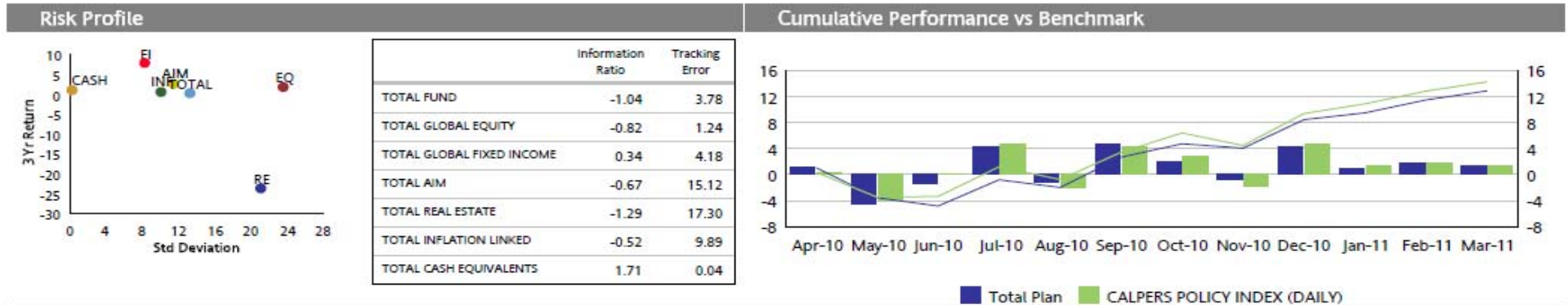
Cash Equivalents:

Net returns for the Cash Equivalents portfolio have met or outperformed the benchmark in all time periods. Ten-year net returns were 2.55% versus 2.37% for the custom benchmark.



Plan Performance Summary

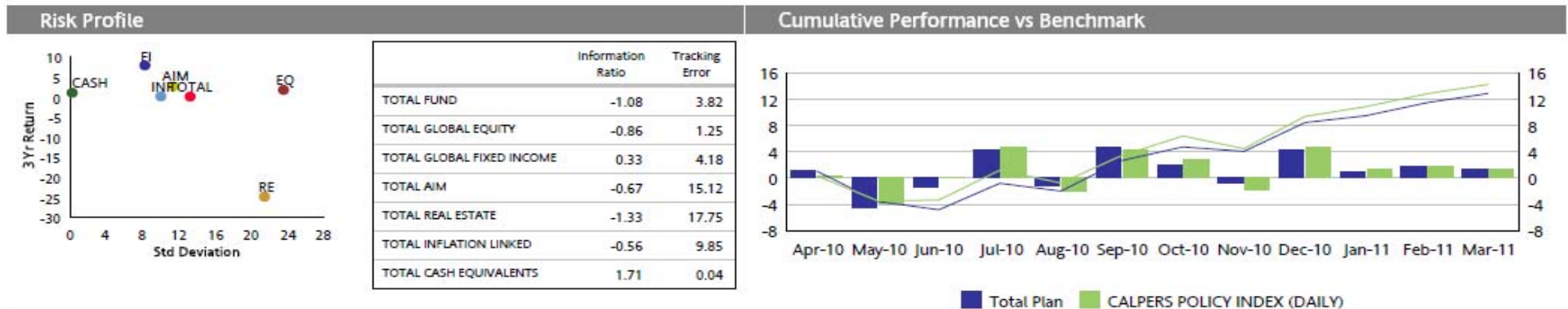
Gross of Manager Fees



Performance Summary										
	% of Plan	MKT VAL \$(000's)	1 Month	Quarterly	FYTD	1 Year	3 Year	5 Year	10 Year	
TOTAL GLOBAL EQUITY	52.6%	122,893,924	0.26	4.47	29.86	15.58	1.66	3.01	5.33	
TOTAL GLOBAL EQ EX AIM BENCHMARK (DAILY)			0.18	4.40	29.67	15.29	2.67	3.78	5.54	
TOTAL GLOBAL FIXED INCOME	20.2%	47,144,640	0.05	1.11	4.24	8.64	7.72	7.85	7.49	
CalPERS Total GBL Fixed Income Policy (DAILY)			0.18	0.56	2.42	7.83	6.32	7.02	6.75	
TOTAL AIM	14.2%	33,198,604	5.24	7.76	17.59	22.68	2.45	10.35	6.92	
WILSHIRE 2500 + 300 BPS 1 QTR LAG / CYFU			7.10	12.40	12.81	20.44	12.52	14.34	8.28	
TOTAL REAL ESTATE	7.6%	17,742,406	6.06	6.40	9.63	4.37	-23.84	-9.55	4.52	
90% NPI+200 BPS / 10% FTSE EP			4.19	4.94	15.49	15.89	-1.49	5.24	8.28	
TOTAL INFLATION LINKED	3.4%	8,013,617	1.18	4.28	12.94	11.92	0.42			
CPI+400 BPS 1 MONTH LAGGED			0.82	2.14	4.46	6.18	5.55			
TOTAL CASH EQUIVALENTS	1.8%	4,287,154	0.02	0.07	0.23	0.30	0.89	2.58	2.55	
PERS CUSTOM STIF NET OF FEES (DAILY)			0.02	0.06	0.20	0.25	0.83	2.51	2.37	
OVERLAY + ASSET ALLOC TRANSITION	0.1%	330,427								
TOTAL FUND	100.0%	233,610,771	1.31	4.15	18.79	13.10	0.11	3.17	5.71	
CALPERS POLICY INDEX (DAILY)			1.26	4.46	18.24	14.28	4.03	5.46	6.47	

Plan Performance Summary

Net of Manager Fees



Performance Summary										
	% of Plan	MKT VAL \$(000's)	1 Month	Quarterly	FYTD	1 Year	3 Year	5 Year	10 Year	
TOTAL GLOBAL EQUITY	52.6%	122,893,924	0.25	4.46	29.78	15.50	1.59	2.95	5.27	
TOTAL GLOBAL EQ EX AIM BENCHMARK (DAILY)			0.18	4.40	29.67	15.29	2.67	3.78	5.54	
TOTAL GLOBAL FIXED INCOME	20.2%	47,144,640	0.05	1.10	4.24	8.63	7.71	7.84	7.47	
CalPERS Total GBL Fixed Income Policy (DAILY)			0.18	0.56	2.42	7.83	6.32	7.02	6.75	
TOTAL AIM	14.2%	33,198,604	5.24	7.75	17.59	22.67	2.45	10.35	6.91	
WILSHIRE 2500 + 300 BPS 1 QTR LAG / CYFU			7.10	12.40	12.81	20.44	12.52	14.34	8.28	
TOTAL REAL ESTATE	7.6%	17,742,406	5.42	5.76	8.18	2.68	-25.02	-11.37	1.97	
90% NPI+200 BPS / 10% FTSE EP			4.19	4.94	15.49	15.89	-1.49	5.24	8.28	
TOTAL INFLATION LINKED	3.4%	8,013,617	0.88	3.97	12.44	11.31	0.01			
CPI+400 BPS 1 MONTH LAGGED			0.82	2.14	4.46	6.18	5.55			
TOTAL CASH EQUIVALENTS	1.8%	4,287,154	0.02	0.07	0.23	0.30	0.89	2.58	2.55	
PERS CUSTOM STIF NET OF FEES (DAILY)			0.02	0.06	0.20	0.25	0.83	2.51	2.37	
OVERLAY + ASSET ALLOC TRANSITION	0.1%	330,427								
TOTAL FUND	100.0%	233,610,771	1.26	4.09	18.62	12.90	-0.07	2.96	5.49	
CALPERS POLICY INDEX (DAILY)			1.26	4.46	18.24	14.28	4.03	5.46	6.47	

Operations/Policy Violations/Activity Reports/Placement Agent Fees

Closed Session Transactions

- There was one closed session transaction reported to the Board in Open Session per the requirements of California Government Code Section 20191.5 and the current CalPERS Board of Administration Statement of Policy & Procedures for Closed Sessions.

Investment Policy Violations

- According to policy requirements, the following is a summary of investment policy violations extracted from the quarterly reports prepared for Investment Committee consideration. Executive Summaries and full reports are available in the Supplemental Reporting Document.

Global Equity, AIM, Cash Equivalents, Supplemental Income Plans

Report Containing Violation	Violation Description
No items to report	

Fixed Income

Report Containing Violation	Violation Description
Internally Managed Barclays Aggregate Fixed Income	<p>Duration was not within the Barclays Aggregate Program policy guidelines:</p> <p>The portfolio is not within the guideline of +/- 10% of the Barclays Capital Aggregate Index on an option adjusted basis from February 14, 2011 to March 31, 2011.</p>

Real Estate

Report Containing Violation	Violation Description
Quarterly Performance Report	<p>The Investment Committee approved the Real Estate Policy effective June 15, 2009. The policy includes limits that have been reduced in a number of key areas. As a result of the reduced limits and market conditions that have resulted in market value declines, the portfolio is out-of-compliance with the policy in the areas listed below. The Real Estate Unit estimates the portfolio to be in full compliance with policy no later than December 2013.</p> <p>CalPERS' Opportunistic asset exposure was approximately 40.1% as of December 31, 2010, or 0.1 percentage point above the policy range of 10.0% to 40.0%. The amount above the policy range decreased over the last quarter from 40.3% to 40.1%; over the last calendar year from 43.0% to 40.1%.</p> <p>CalPERS' Other property type exposure was approximately 15.1% as of December 31, 2010, or 5.1 percentage points above the policy limit of 10.0%. The variance is attributed to Other property type exposure being comprised largely of Mixed-Use properties at 6.4% of the total portfolio. Staff is evaluating options for classification of mixed-use properties. The amount above the policy range decreased over the last quarter from 15.5% to 15.1%; over the last calendar year from 15.3% to 15.1%.</p>

Operations/Policy Violations/Activity Reports/Placement Agent Fees

Investment Policy Violations (cont.):

Real Estate (cont.)

Report Containing Violation	Violation Description
Quarterly Performance Report (cont.)	CalPERS' Recourse Debt Allocated was approximately 11.0% as of December 31, 2010, or 1.0 percentage point above the policy limit of 10.0%. The exposure percentage decreased over the last quarter from 14.2% to 11.0%; over the last calendar year from 26.3% to 11.0%. In absolute dollar amounts the recourse debt allocated was approximately \$1.94 billion as of December 31, 2010, or \$0.17 billion above the policy limit of \$1.77 billion. The allocated amount decreased over the last quarter from \$2.34 billion; over the last calendar year from \$3.86 billion to \$1.94 billion. Recourse Debt Allocated is defined in policy as the total amount of debt allocated which may or may not be drawn or utilized to date. The amount of recourse debt drawn or utilized as of December 31, 2010 was approximately 6.2% or \$1.10 billion.

Items Completed Under Delegated Authority

- According to policy requirements, the following is a summary of items completed under delegated authority extracted from the reports prepared for Investment Committee consideration. Full reports are available in the Supplemental Reporting Document.

Real Estate, Risk Managed Absolute Return Strategies, Corporate Governance, ILAC

Investment	Commitment
No items to report	

AIM

Investment	Commitment
Avenue Special Situation Fund VI, LP	\$150 million
GSO Capital Opportunities Fund II, LP	\$250 million
Oaktree Opportunities Fund VIIIb, LP	\$200 million

Operations/Policy Violations/Activity Reports/Placement Agent Fees

Activity Reports

- Staff prepares activity reports for the AIM, Real Estate, Risk Managed Absolute Return Strategies, Corporate Governance and Inflation Linked Asset Class Programs. Detailed reports and investment summaries for these programs are included in the supplemental reporting document.

AIM Activity Report

Activity	Month	2008	2009	2010	2011YTD	Since Inception
Investment Proposals Entered	31	349	294	330	92	8,334
Declined/Referred/Failed to Materialize	28	339	248	341	100	6,794
Deals in Screening	75	349	294	330	92	5,321
Due Diligence Reviews	5	31	11	12	8	821

Real Estate Investments Activity Report:

Activity	Month	2007	2008	2009	2010	2011YTD	Since Inception *
Investment Proposals Entered	14	N/A	138	23	136	31	328
Declined/Referred/Failed to Materialize	0	N/A	120	29	122	24	295
Deals in Screening	31	N/A	24	33	76	55	188
Due Diligence Reviews	0	N/A	3	0	0	0	3
* As of January 2, 2008							

Risk Managed Absolute Return Strategies Program Activity Report

Activity	Month	2007	2008	2009	2010	2011YTD	Since Inception
Investment Proposals Entered	10	90	118	66	20	27	947
Declined/Referred/Failed to Materialize	0	0	0	0	18	0	261
Deals in Screening	10	90	118	66	8	27	680
Due Diligence Reviews	10	90	118	66	8	27	680
Allocations Approved by RMARS Board	0	66	31	0	11	0	217
New ARD Funds Approved by RMARS Board	0	8	3	0	2	0	46
Funded Investments (\$ Millions)	\$0	\$2,499	\$1,089	\$0	\$510	\$0	\$7,399

Corporate Governance Activity Report

Activity	Month	2007	2008	2009	2010	2011YTD	Since Inception *
Investment Proposals Entered	0	N/A	7	1	1	0	9
Declined/Referred/Failed to Materialize	0	N/A	6	13	11	0	30
Deals in Screening	N/A	N/A	N/A	N/A	0	0	0
Due Diligence Reviews	0	N/A	13	14	12	0	39
* As of April 1, 2008							

Operations/Policy Violations/Activity Reports/Placement Agent Fees

Activity Reports (cont.)

Inflation Linked Asset Class Activity Report - Infrastructure

Activity	Month	2007	2008	2009	2010	2011YTD	Since Inception
Investment Proposals Entered	6	12	57	52	105	20	246
Declined/Referred/Failed to Materialize	3	N/A	11	58	113	40	222
Deals in Screening	24	12	57	52	105	20	246
Due Diligence Reviews	0	N/A	0	4	2	0	6

Inflation Linked Asset Class Activity Report - Forestland

Activity	Month	2007	2008	2009	2010	2011 YTD	Since Inception
Investment Proposals Entered	0	N/A	9	5	7	2	23
Declined/Referred/Failed to Materialize	0	N/A	7	6	6	0	19
Deals in Screening	2	N/A	9	5	4	2	23
Due Diligence Reviews	0	N/A	1	0	0	0	1

Disclosure of Placement Agent Fees

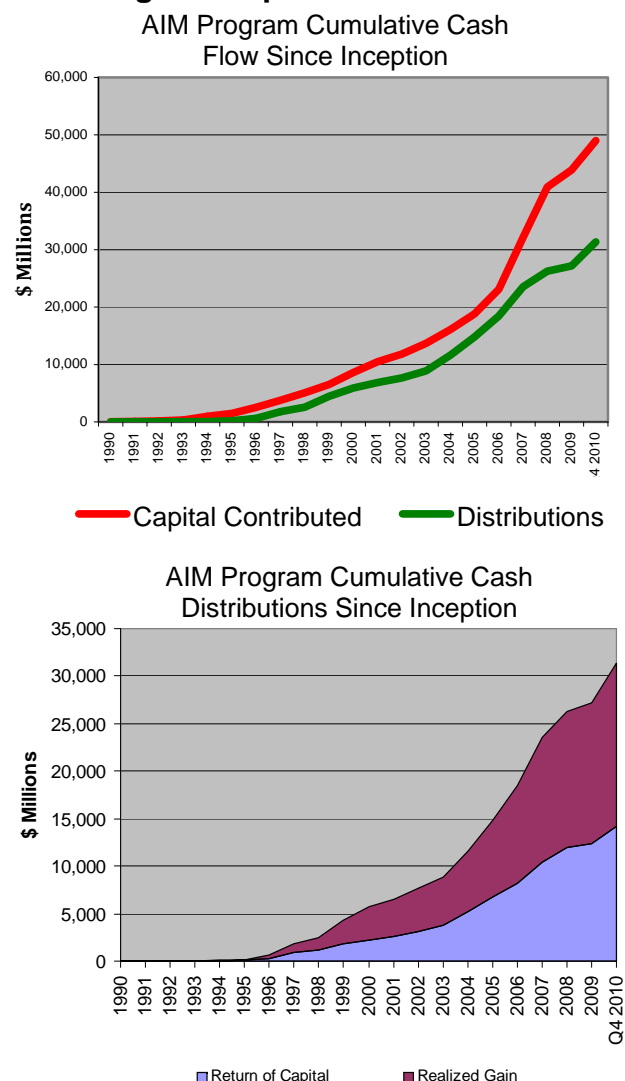
Asset Class	Firm Name	Fund	Placement Agent Firm	Estimated Placement Agent Compensation	Disclosure Type
Global Equity	Nomura Corporate Research and Asset Management Inc		Nomura Asset Management USA		Amendment ¹

¹ – The amendment does not benefit the placement agent.

Quarterly Reports

According to policy requirements, the following is summary information extracted from the quarterly reports prepared for Investment Committee consideration. Executive Summaries and full reports are available in the Supplemental Reporting Document.

AIM Program Report:



Portfolio Summary — As of 12/31/2010, the AIM Program had a total exposure of \$50.0 billion. Total exposure is the current reported value of investments plus the remaining amount of unfunded commitments. Since inception, the AIM Program has made contributions of \$49.0 billion, received distributions of \$31.3 billion and has a remaining reported value of \$33.6 billion. Of the \$31.3 billion in distributions, \$17.1 billion represents realized gains, income and dividends.

Performance Summary — At 12/31/2010, the AIM Program generated a ten-year time-weighted return of 5.9%. At 12/31/2010 the public market ten-year rolling average return for the CALPERS' Custom Wilshire 2500 Index plus 300 basis points was 5.6%. As of 12/31/2010, the weighted average age of all the current investments in the AIM Portfolio was 5.1 years. Consequently, a large portion of the portfolio is in the early stage of its investment life, when payment of fees has not been offset by young investments that are held at cost. This is known as the J-Curve effect. Since inception to 12/31/2010, the AIM Program generated a net IRR of 10.6%.

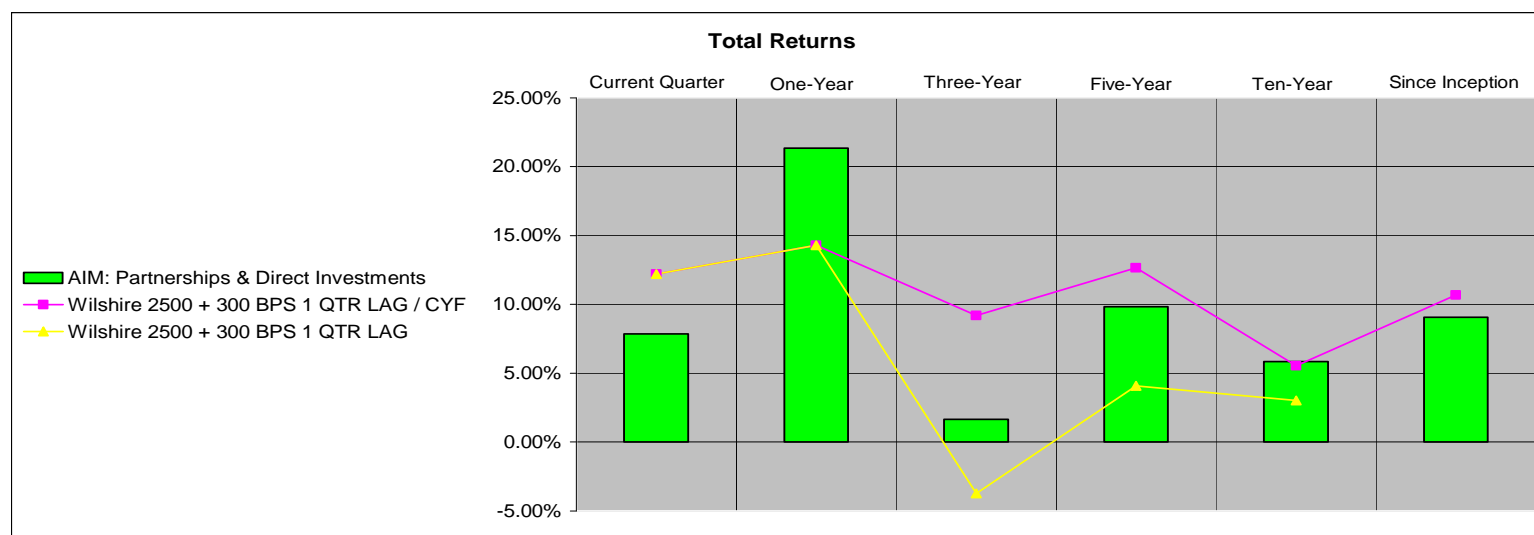
Portfolio Activity — One new commitment was authorized during the fourth quarter of 2010 for a total of \$100.0 million. During the fourth quarter of 2010, the AIM Program received 76 proposals for new investment opportunities. During 2010, the AIM Program contributed \$5,079.1 million and received distributions of \$4,165.3 million from the underlying portfolio. Of the \$4,165.3 million in distributions, \$2,352.9 million represent income and realized gains.

Quarterly Reports

AIM Program Report (cont.):

Total Asset Class Performance Review

Net Assets at Fair Market Value \$(000's)⁽¹⁾	\$31,505,287					
	Current Quarter	One-Year	Three-Year	Five-Year	Ten-Year	Since Inception
Total⁽²⁾						
AIM: Partnerships & Direct Investments	7.86%	21.34%	1.65%	9.84%	5.85%	9.07%
Benchmark⁽³⁾						
Wilshire 2500 + 300 BPS 1 QTR LAG / CYF⁽⁴⁾	12.20%	14.29%	9.18%	12.67%	5.56%	10.69%
Wilshire 2500 + 300 BPS 1 QTR LAG	12.20%	14.29%	-3.71%	4.08%	3.01%	N/A



- (1) Net assets at fair market value are calculated using a cash-adjusting formula.
- (2) Total AIM Portfolio returns shown in this table are time-weighted. Returns shown in the remainder of this report are IRRs, since IRR is the GIPS standard for measuring the performance of a private equity portfolio.
- (3) The Wilshire 2500 + 300 BPS 1 QTR LAG / CYF and Wilshire 2500 + 300 BPS 1 QTR LAG returns shown in the table above are time-weighted.
- (4) The AIM Policy Index is the Wilshire 2500 + 300 BPS lagged one quarter and linked previously to the Custom Young Fund.

Quarterly Reports

AIM Program Report (cont.):

	Capital Contributed ⁽⁷⁾	Distributions		Reported Value ⁽⁹⁾	Investment Multiple
		Return of Capital	Realized Gain ⁽⁸⁾		
Total Active Commitments ⁽⁵⁾	\$41,376.3	\$8,885.3	\$12,369.2	\$33,575.0	1.3x
Total Exited Commitments ⁽⁶⁾	\$7,605.2	\$5,336.4	\$4,753.5	-	1.3x

(5) An active commitment refers to an investment that has not reached the end of its legal term.

(6) An exited commitment is defined as a commitment that has ended in accordance with the terms of the partnership agreement.

(7) Includes fees in excess of committed capital.

(8) Realized gains include interest, dividends, gains and losses distributed by the general partners in addition to interest paid by CalPERS for participation in subsequent closings of certain investments.

(9) Based on values reported by the general partners as of December 31, 2010.

Quarterly Reports

Proxy Voting Quarterly Report:

On a quarterly basis, Corporate Governance staff provides the Investment Committee with a report on CalPERS' proxy voting. This supplemental agenda item provides detailed results on CalPERS' proxy votes for the period of January 1, 2011 to March 31, 2011. Staff is delegated the authority to execute all proxies and voting instructions in a manner consistent with the Board's Global Proxy Voting Principles. As part of this delegation staff reviews and analyzes information provided by proxy advisory firms, market experts, like-minded investors, issuers, and the results of company engagements to ensure the votes cast are consistent with board directed principles.

Table 1 provides a summary of CalPERS' internal proxy voting results for the most recent period. Staff continues to update this table to provide the Committee with a five-quarter rolling analysis of CalPERS' proxy voting results.

Table 1: Global Proxy Votes Cast

Period	Number of Meetings Voted	Number of Individual Items Voted	Shareowner Proposals Voted	Percent of Shareowner Proposals Supported
1/01/10 to 3/31/10	1,356	9,989	67	42%
10/01/10 to 12/31/10	1,330	7,740	33	51%
7/01/10 to 9/30/10	1,203	9,983	38	58%
4/01/10 to 6/30/10	6,872	69,057	729	73%
1/01/10 to 3/31/10	1,272	8,728	111	45%

Source: Glass Lewis (Viewpoint)

Additionally, staff has prepared a summary report of CalPERS' proxy votes cast during the period of January 1, 2011 to March 31, 2011. This summary report includes votes randomly selected by staff to highlight the CalPERS Global Proxy Voting decisions over the past quarter. Due to the size of the complete voting history for the quarter, a copy may be requested through the Investment Committee Secretary

Executive Compensation:

Table 1: Votes AGAINST executive compensation plans

Company	Meeting	Reason
WSI Industries Inc.	1/5/11	CalPERS believes equity grants should have minimum vesting periods of at least three years.
Unifirst Corp.	1/11/11	The plan allows for reload stock options.
Super Micro Computer Inc.	2/8/11	CalPERS believes "evergreen" provisions should be prohibited. Additionally, CalPERS voted "against" the management Say on Pay proposal due to this negative provision.

Quarterly Reports

Proxy Voting Quarterly Report (cont.):

Shareowner proposals:

Table 2: Votes FOR shareowner proposals

Company	Meeting	Proposal	Reason
Sycamore Networks Inc.	1/4/11	Shareholder Proposal Regarding Simple Majority Vote	CalPERS believes a majority of the proxies cast should be able to amend the company's bylaws by shareowner Proposal.
Sonic Corp.	1/6/11	Proposal Regarding Independent Board Chairman	CalPERS believes when the Chairman is independent the board may be able to exercise stronger oversight of management.
Walgreen Co.	1/12/11	Shareholder Proposal Regarding Right to Call a Special Meeting	CalPERS believes shareowners should be able to call special meetings.
Helmerich & Payne Inc.	3/2/11	Shareholder Proposal Regarding Declassification of the Board	CalPERS believes every director should be elected annually.

Table 3: Votes AGAINST shareowner proposals

Company	Meeting	Proposal	Reason
Tyson Foods Inc.	2/4/11	Shareholder Proposal Regarding Controlled Atmosphere Killing	CalPERS believes this is a business decision best left for management and the board.
Swedbank	3/25/11	Shareholder Proposal Regarding the Creation of a Charitable Fund	CalPERS believes this is a business decision best left for management and the board.

Quarterly Reports

Proxy Voting Quarterly Report (cont.):

Website votes:

These include the CalPERS top 300 holdings by Market Cap and are disclosed on the CalPERS Shareowner Forum approximately two weeks before each annual general meeting.

Table 4: Website votes cast

Company/Date	Issue	Vote	Reason
Visa Inc. 1/27/11	Advisory Vote on Executive Compensation	For	CalPERS has no concern with the executive compensation practices at the company.
Air Products & Chemicals 1/27/11	Say on Pay Frequency Vote	One Year	CalPERS believes companies should submit Say on Pay votes to shareowners for approval on an annual basis.
Apple Inc. 2/23/11	Shareowner Proposal Regarding Majority Vote for Director Elections	For	CalPERS believes a majority of the proxies cast should be required to elect a director in an uncontested election. **CalPERS Proposal – received high level of support with 73% of the FOR vote cast**
Hewlett Packard Co. 3/23/11	Advisory Vote on Executive Compensation	Against	CalPERS believes a vote against the say on pay proposal is warranted due to the negative executive compensation practices at the company. These practices include pay for performance concerns and equity awards that vest prior to three years.
Starbucks Corp. 3/23/11	Shareowner Proposal Regarding a Report on Recycling Strategies	For	CalPERS believes the proposal would be a benefit to shareowners and pose no long-term harm to the company.

Quarterly Reports

Proxy Voting Quarterly Report (cont.):

International Proxy Voting:

Table 5: International AGAINST votes cast

Company	Country	Issue	Reason
PICC Property & Casualty Co. 1/7/11	Japan	Director Election	Withhold vote from director nominee Wang Yincheng. CalPERS believes a majority of the members of the compensation committee should be independent.
Seloger.Com 1/20/11	France	Amendment to Cap Voting Rights	CalPERS firmly supports the concept of one share one vote.
WH Smith Plc. 1/26/11	United Kingdom	Authority to Set General Meeting Notice Period to 14 Days	CalPERS believes a reduction in the notice period from 21 to 14 days may not allow shareowners reasonable notice to review matters in which they are required to exercise voting rights.
Mitchells & Butlers plc 1/27/11	United Kingdom	Appoint Auditor	CalPERS believes fees above 50% for non-audit related services are excessive.
Nachi-Fujikoshi Corp. 2/23/11	Japan	Renewal of Takeover Defense Plan	CalPERS believes renewal of this plan is not in shareowners best interest as it could limit opportunities related to corporate takeovers.

Mergers & Acquisitions:

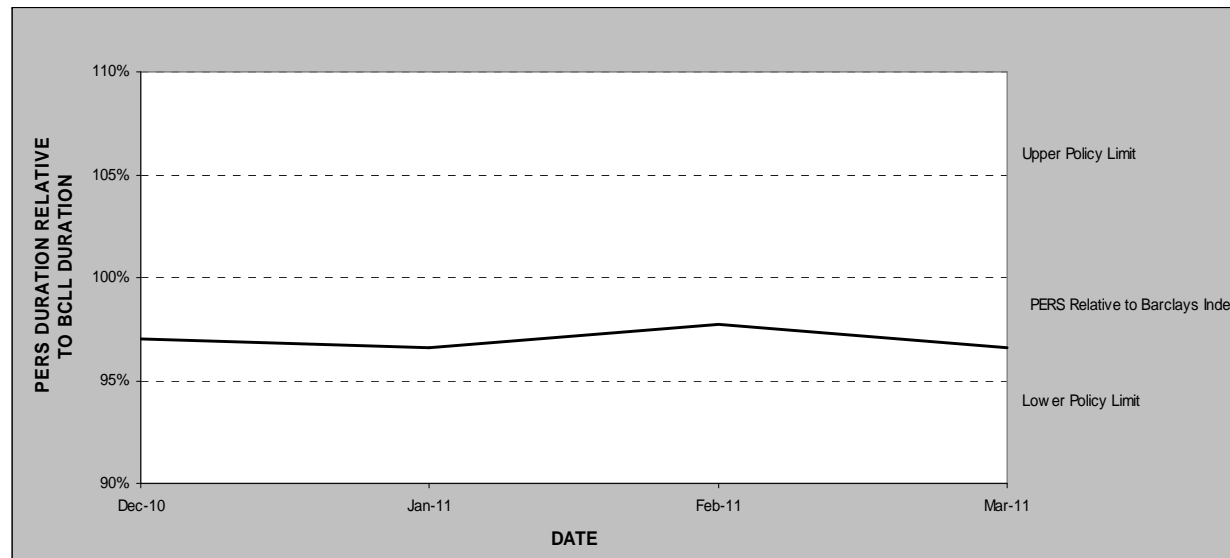
Table 6: Sample of votes cast for mergers and acquisitions

Target	Acquirer	Date	Vote
Syniverse Holdings Inc.	The Carlyle Group	1/12/11	For
First Mercury Financial Corp.	Fairfax Financial Holdings Limited	1/14/11	For

Quarterly Reports

Internally Manged Domestic Fixed Income Report:

Interest Rate Risk



Sector Risk

SECTOR	PERMISSIBLE RANGE	LONG LIABILITY	06/30/10 PERS	09/30/10 PERS	12/31/10 PERS	3/31/11 PERS
Government	0-50	40	30	33	36	39
Mortgages	10-60	30	29	29	29	27
Sovereigns	0-15	3	2	2	2	2
Investment Grade Corporates	10-60	24	30	28	25	25
Opportunistic ¹	0-19	3	9	8	8	7

¹ High Yield

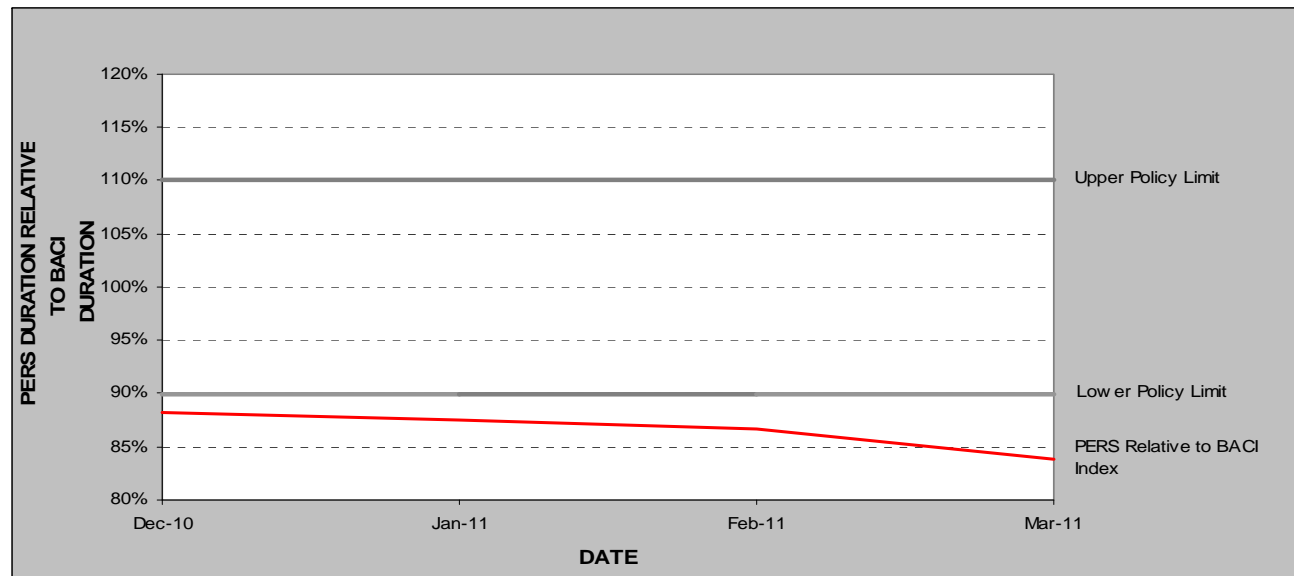
Violations to Policy:

None

Quarterly Reports

Internally Manged Barclays Aggregate Fixed Income Report:

Interest Rate Risk



Sector Risk

SECTOR	PERMISSIBLE RANGE	BARCLAYS AGGREGATE	6/30/10 PERS	9/30/10 PERS	12/31/10 PERS	3/31/11 PERS
US Treasury & Govt. Sponsored	0-80	32	35	25	28	29
Securitized	0-70	45	36	43	41	40
Corporates	10-50	23	27	29	27	27
Opportunistic	0-20	0	2	3	4	4

Violations to Policy:

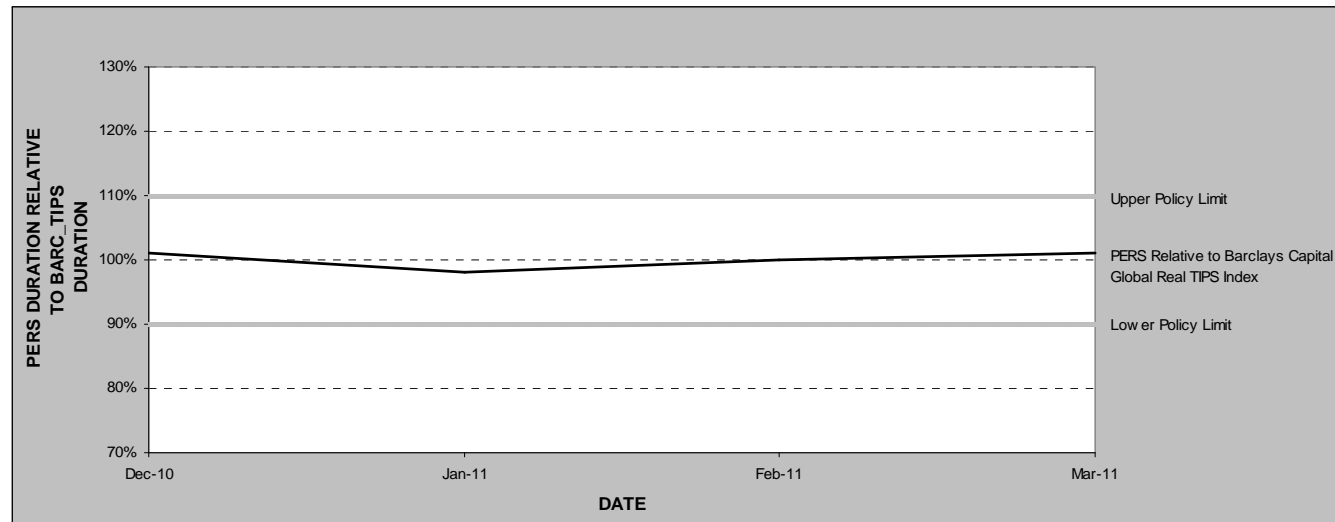
1. Duration was not within the Barclays Aggregate Program policy guidelines:

As indicated in the graph in section 1, the portfolio is not within the guideline of +/- 10% of the Barclays Capital Aggregate Index on an option adjusted basis from February 14, 2011 to March 31, 2011.

Quarterly Reports

Internally Manged Treasury Inflation Protected Securities Fixed Income Report:

Interest Rate Risk



Sector Risk

		BARCLAYS CAPITAL GLOBAL REAL U.S. TIPS INDEX				
	PERMISSIBLE		6/30/10	9/30/10	12/31/10	3/31/11
SECTOR	RANGE		PERS	PERS	PERS	PERS
TIPS	80-100	100	100	98	100	100
Nominal US Treasury	0-15	0	0	0	0	0
STIF	0-5	0	0	2	0	0

Violations to Policy:

None

Quarterly Reports

Low Duration (High Quality LIBOR) Fixed Income Report:

I. Interest Rate Risk

The policy states that duration of the portfolio shall not exceed 90 days. The portfolio duration of the High Quality LIBOR Fund was 26 days.

II. Asset Allocation by Asset Type and Credit Quality, and Other Policy Limits

<u>Asset Type</u>	<u>Policy Limits</u>	<u>Portfolio Holdings</u>
STIF Funds	100%	0.00%
AAA Floating Rate Structured Securities	100	99.69
AAA Fixed Rate Structured Securities	20	0.00
Money Market Securities (\geq A1/P1)	100	0.00
Money Market Securities ($<$ A1/P1)	25	0.31
High Quality Libor Fund		100.0%
<u>Credit Quality</u>		
Securities rated AAA (LT) or A1/P1 (ST) or higher	100%	99.69%
Total Split Rated or A2/P2 money market securities ($>$ 1 day maturity)	25	0.31
High Quality Libor Fund		100.0%
<u>Other Restriction</u>		
Total Fixed Rate Exposure ($>$ 35 day maturity)	20%	0.00%

III. Violations To Policy

None

Quarterly Reports

Low Duration (Short Duration) Fixed Income Report:

I. Interest Rate Risk

The policy states that duration of the portfolio shall not exceed 180 days. The portfolio duration of the Short Duration Fund was 0 days.

II. Asset Allocation by Asset Type and Credit Quality, and Other Policy Limits

<u>Asset Type</u>	<u>Policy Limits</u>	<u>Portfolio Holdings</u>
State Street Bank STIF	100%	0.00%
AAA Structured Securities	100	98.76
Non AAA Structured Securities	50	1.13
Money Market Securities (\geq A1/P1)	100	0.00
Money Market Securities ($<$ A1/P1)	25	0.11
Total Corporate Securities	50	0.00
Short Duration Fund		100.0%
<u>Credit Quality</u>		
Securities rated AAA (LT) or A1/P1 (ST) or higher	100%	98.76%
Total Split Rated and A2/P2 (ST) or non-AAA (LT)	50	1.24
Short Duration Fund		100.0%
<u>Other Restriction</u>		
Total Fixed Rate Exposure ($>$ 35 day maturity)	35%	0.00%

III. Violations To Policy

None

Quarterly Reports

Low Duration (Short Term Fund) Fixed Income Report:

I. Interest Rate Risk

The weighted-average days to maturity of the Short-Term Fund was 3 days.

II. Asset Allocation by Asset Type and Credit Quality, and Other Policy Limits

<u>Asset Type</u>	<u>Policy Limits</u>	<u>Portfolio Holdings</u>
State Street Bank STIF	100%	70.17%
U.S. Treasury and Agencies	100	0.0
Repurchase Agreements	20	0.0
Corporate Securities	100	27.72
Fixed Asset-Backed Securities	50	1.80
Floating Asset-Backed Securities	25	0.31
Total Short-Term Fund		<u>100.0%</u>
<u>Credit Quality</u>		
Securities rated A1/P1 or higher	100%	72.28%
Total Split Rated and A2/P2	30	<u>27.72</u>
Total Short-Term Fund		<u>100.0%</u>
<u>Other Restriction</u>		
Total Floating Rate Exposure	50%	0.31%

III. Violations To Policy

None

Quarterly Reports

Corporate Governance Co-Investment Program Performance Review:

This report addresses the performance of the Corporate Governance Co-Investment Program (the “Program”). The Program manages \$352 million of assets as of March 31, 2011. The objectives of the Program are:

- Produce a positive alpha through the generation of superior investment returns with co-investment opportunities.
- Identify new co-investment opportunities to take advantage of innovative and sustainable investment strategies.

The portfolio managed within the Program tends to be very concentrated with few holdings, and has a very deep “value” style bias. The portfolio positions taken are limited to those situations where the external partners believe an engagement process can affect positive investment returns.

Performance

There are four positions in the Corporate Governance Co-Investment Program’s portfolio. The long-term performance results relative to the benchmark are shown in Attachment 1, the 1 year and inception performance numbers demonstrate a value added of 5.82% and 9.30%, respectively.

Quarterly Reports

Public Record Act Requests Report:

Request Date	Requestor	Subject	Response
1/4/11	Business	Infrastructure Funds	Final response sent 1/10/11
1/6/11	Business	Infrastructure Funds	Final response sent 2/8/11
1/12/11	Business	Infrastructure Funds	Final response sent 2/11/11
1/12/11	Individual	Placement Agents	Final response sent 1/19/11
1/31/11	Business	CalPERS Investment Portfolio Partnerships	Final response sent 2/28/11
2/3/11	Business	ING Contracts	Final response sent 3/2/11
2/10/11	Media	Master Custody Services	Final response sent 2/28/11
2/10/11	Media	Records Currency Report	Final response sent 3/8/11
2/14/11	Media	Foreign Exchange Trading Report	Final response sent 3/8/11
2/14/11	Media	State Street Bank Custodial Contract	Final response sent 3/8/11
2/14/11	Individual	Peter Cooper Village/Stuyvesant Town	Initial response sent 2/22/11
2/18/11	Individual	Investment Staff Salaries	Final response sent 2/28/11
2/25/11	Media	Agreement with State Street Regarding Foreign Exchange Transactions	Final response sent 4/12/11
3/3/11	Business	Placement Agent Disclosure Forms	Final response sent 3/18/11
3/10/11	Business	Schedule of Assets, Investment Portfolio Summary, and List of Service Providers	Final response sent 3/23/11
3/17/11	Business	Securities Lending Information	Initial response sent 3/28/11
3/18/11	Media	Public Records Act Requests Regarding State Street and Foreign Exchange	Final response sent 4/12/11
3/22/11	Business	Responses to RFP for Global Custody and Securities Lending Services	Final response sent 4/12/11
3/22/11	Media	Interests in Old Mutual PLC	Final response sent 4/5/11

Spring Fed Pool Contract Status Report:

The enclosed Quarterly Spring-Fed Pool Consultant Contract Status Report for the period ending March 31, 2011, has been prepared by staff from the Policy and Business Support Division (PBSD). The report details Letter of Engagement (LOE) encumbrances of \$17,946,776 for spring-fed pool contractors since July 1, 2011. Actual expenditures against these encumbrances may be less, but never greater than this amount, unless agreed upon by CalPERS through an amended letter of engagement.

Quarterly Reports

Member Home Loan Whole Loan Loss Mitigation Program Report:

Whole loan delinquencies constitute a risk exposure to the Public Employees' Retirement Fund. The chart below illustrates Member Home Loan Program (MHLP) whole loan delinquencies as a portion of the overall whole loan portfolio. As of March 31, 2011 there were 192 delinquent loans with total unpaid principal balances of \$65,121,907.

Stage	Loans	% Delinquent		Unpaid Principal Balance	% Delinquent
30 Days	58	5.78%		\$19,061,757	5.90%
60 Days	9	0.90%		\$2,965,235	0.92%
90 Days	53	5.28%		\$19,086,959	5.91%
Bankruptcy	15	1.50%		\$4,087,737	1.27%
Foreclosure	40	3.99%		\$14,136,429	4.38%
Real Estate Owned	17	1.69%		\$5,783,791	1.79%
Total Delinquent	192	19.14%		\$65,121,907	20.17%
Totals	1,003			\$322,934,990	

In order to minimize losses to the fund, the Investment Committee approved MHLP loss mitigation strategies on April 19, 2010. As of March 31, 2011 the MHLP has issued loss mitigation packages for 79 CalPERS owned whole loans representing a total unpaid balance of \$27,415,058. The following chart represents a breakdown of loss mitigation packages issued by modification, short sale, or repayment plan.

Loss Mitigation Initiatives and Results

Modifications		
Approved	Denied	In Review
10	13	25
Short Sales		
Approved	Denied	In Review
4	4	1
Repayment Plans		
Approved	Denied	In Review
1	1	4
Loss Mitigation Packages Issued with No Response		
16		

Quarterly Reports

Real Estate Quarterly Performance Report

Total Portfolio Performance — The one-year (as of December 31, 2010) total return for the Total Real Estate Portfolio was 4.1% before fees and 2.5% after fees. The nominal after fee total return (since inception) for the Total Real Estate Portfolio was 6.8% as of December 31, 2010, with the income component generating a 5.7% return and the appreciation component generating a 1.1% return.

Core Portfolio Performance — The one-year (as of December 31, 2010) total return for the Core Portfolio was 19.9% before fees and 18.9% after fees. The nominal after fee total return (since inception) for the Core Portfolio was 8.0% as of December 31, 2010, with the income component generating a 6.7% return and the appreciation component generating a 1.3% return.

Value Add Portfolio Performance — The quarterly (as of December 31, 2010) total return for the Value Add Portfolio was 0.7% before fees and -0.5% after fees.

Opportunistic Portfolio Performance — The one-year (as of December 31, 2010) total return for the Opportunistic Portfolio was -8.1% before fees and -10.2% after fees. The nominal after fee total return (since inception) for the Opportunistic Portfolio was 3.7% as of December 31, 2010, with the income component generating a 2.0% return and the appreciation component generating a 1.7% return.

Comparison to Benchmark — The Core Portfolio outperformed the Real Estate Policy Benchmark for the current quarter, one-year, and since inception periods. In addition, the Total Real Estate Portfolio outperformed the Real Estate Policy Benchmark for the current quarter and since inception periods. It should be noted that although the Real Estate Policy Benchmark is more directly comparable to the Core Portfolio, the policy benchmark is used for the Value Added and Opportunistic Portfolios as well.

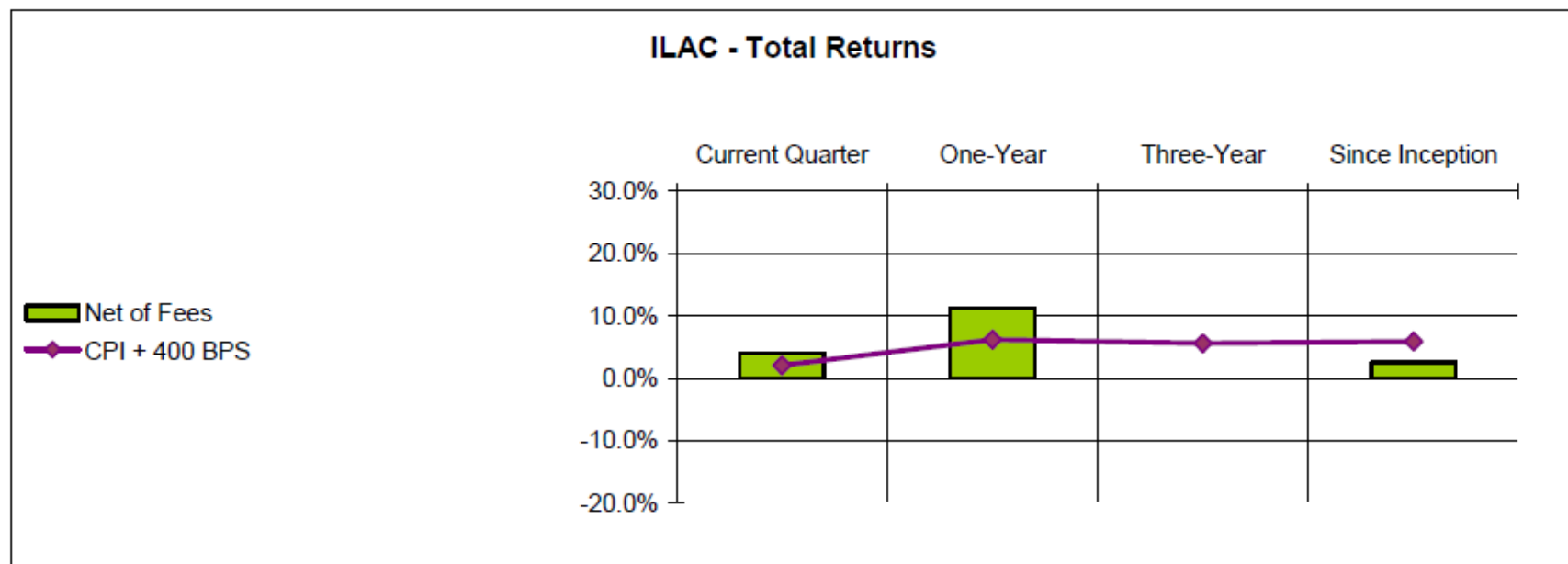
Comparison to Real Rate of Return Benchmark — The Core Portfolio exceeded the 5% real rate of return benchmark for the one-year period. Policy dictates that CalPERS after fee real rate of return should reach 5% for the Core Portfolio and exceed 5% for the Value Added and Opportunistic Portfolios. All real rates of returns are shown on the chart Real Estate Policy Performance Objective Real Rate of Return (RRR) After Fee (Refer to Appendix for CPI index and Real Rate of Return calculation.)

Quarterly Reports

Inflation Linked Asset Quarterly Performance Report:

Total Inflation Linked Asset Class (as of March 31, 2011)

Net Assets at Fair Market Value	\$8,013,616,939			
	Current Quarter	One-Year	Three-Year	Since Inception
Total				
Net of Fees	4.0%	11.3%	0.0%	2.5%
Benchmark				
CPI + 400 BPS	2.1%	6.2%	5.6%	5.9%
Difference Between Total ILAC Net of Fees and CPI + 400 BPS*	1.9%	5.1%	-5.6%	-3.4%



* Percentage totals may not foot due to rounding.

Investment Transactions

Investment Transactions are reported to the Investment Committee for review under the requirements of California Government Code Section 20191. Information is provided in summary format in this consolidated document. Full reporting is available in the supplemental reporting document.

Portfolio Summary and Transactions Report:

- Purchases (Page 36)
- Sales (Page 37)
- Currency Hedge Portfolio Summary (Page 38)
- Currency Hedge Portfolio Transactions (Page 38)

Investment Transaction Information: (full reporting is available in the supplemental reporting document)

- Domestic Fixed Income Transactions
- International Fixed Income Transactions
- Domestic Equity Transactions
- International Equity Transactions
- Real Estate Investment Trust (REIT) Transactions
- AIM Program Transactions
 - Summary Listing of Capital Calls and Aggregate Distributions
- AIM Program Items Completed Under Delegation of Authority
 - Investment Summaries
 - Avenue Special Situation Fund VI, LP, \$150 million commitment
 - GSO Capital Opportunities Fund II, LP, \$250 million commitment
 - Oaktree Opportunities Fund VIIIb, LP, \$200 million commitment
- Real Estate Equity Transactions
 - Summary Listing of Investments and Redemptions
- Real Estate Program Items Completed Under Delegation of Authority
 - Investment Summaries
 - No Items to Report
- Risk Managed Absolute Return Strategies Program Transactions
 - Summary Listing of Investments and Redemptions
 - No Items to Report
- Risk Managed Absolute Return Strategies Program Items Completed Under Delegation of Authority
 - Dispositions Summaries
 - No items to report
 - Acquisitions Summaries
 - No items to report
- Inflation Linked Assets Transactions
 - Summary Listing of Investments and Redemptions
- Inflation Linked Assets Items Completed Under Delegation of Authority
 - Investment Summaries
 - No Items to Report

Investment Transactions

Investment Transaction Information (continued): [\(full reporting is available in the supplemental reporting document\)](#)

- Corporate Governance Program Items Completed Under Delegation of Authority
 - Investment Summaries
 - No items to report
- Manager Development Program – Private Markets Transactions
 - Summary Listing of Investments and Redemptions
- Internally Managed Derivative Transactions Summary
 - Investment Summaries
 - Futures purchases: \$6,160.4 million notional
 - Futures sales: \$6,951.7 million notional
 - Swaps: \$0.0 million notional

Portfolio Transactions Summary

INVESTMENT TRANSACTIONS SUMMARY

(\$ Millions)

March 2011

PURCHASES

	<u>COST</u>	<u>%OF PURCHASES</u>
<u>EQUITIES:</u>		
Domestic	\$1,142.1	12.26%
International	<u>\$2,050.7</u>	<u>22.01%</u>
Total	\$3,192.8	34.27%
<u>FIXED INCOME:</u>		
Domestic	\$3,913.3	42.01%
International	<u>\$1,308.8</u>	<u>14.05%</u>
Total	\$5,222.1	56.06%
<u>ALTERNATIVE INVESTMENTS:</u>		
Partnership Component	\$433.3	4.65%
<u>REAL ESTATE:</u>		
Real Estate Equity	\$364.5	3.91%
<u>INFLATION LINKED ASSETS:</u>		
Inflation Linked	\$102.9	1.10%
TOTAL PURCHASES:	<u><u>\$9,315.7</u></u>	<u><u>100%</u></u>

Portfolio Transactions Summary

INVESTMENT TRANSACTIONS SUMMARY

(\$ Millions)

March 2011

SALES

	<u>COST</u>	<u>PROCEEDS</u>	<u>GAIN/ (LOSS)</u>
<u>EQUITIES:</u>			
Domestic	\$915.8	\$1,106.8	\$191.0
International	<u>\$1,729.5</u>	<u>\$1,960.3</u>	<u>\$230.8</u>
Total	\$2,645.3	\$3,067.1	421.8
<u>FIXED INCOME:</u>			
Domestic	\$3,800.3	\$3,829.7	\$29.4
International	<u>\$294.8</u>	<u>\$302.8</u>	<u>\$8.0</u>
Total	\$4,095.1	\$4,132.5	\$37.4
<u>ALTERNATIVE INVESTMENTS:</u>			
Partnership Component	\$931.1	\$931.1	\$0.0
<u>REAL ESTATE:</u>			
Real Estate Equity	\$127.6	\$127.7	\$0.1
<u>INFLATION LINKED ASSETS:</u>			
Inflation Linked	\$128.2	\$128.1	(\$0.1)
TOTAL SALES:	<u><u>\$7,927.3</u></u>	<u><u>\$8,386.5</u></u>	<u><u>\$459.2</u></u>

Portfolio Transactions Summary

CURRENCY HEDGE PORTFOLIO SUMMARY

(\$ Millions)

March 2011

<u>PENDING FX CONTRACTS</u>	<u>COST</u>	<u>MARKET VALUE</u>
Total FX Purchased	\$7,837.4	\$7,894.5
Total FX Sold	\$15,132.7	\$15,489.2
<u>CURRENCY OPTIONS</u>		
Currency Puts	(\$101.7)	(\$101.7)

"For FX purchased, a market value higher than book value means the contracts have an unrealized gain as of the valuation date. For FX sold, a market value lower than book value means the contracts have an unrealized gain as of the valuation date."

CURRENCY HEDGE TRANSACTION SUMMARY

(\$ Millions)

March 2011

<u>PURCHASES</u>	<u>COST</u>
Pending FX Contracts	\$6,600.0
<u>SALES</u>	
Pending FX Contracts	\$6,860.2

Affiliate Funds Reports

State Street Bank has compiled the following Affiliate Funds Performance Reports for the periods ending March 31 2011. [\(full reporting is available in the supplemental reporting document\)](#)

CALIFORNIA PUBLIC EMPLOYEES' RETIREMENT SYSTEM
Period Ending: Mar 31, 2011

Plan Performance Summary Gross of Manager Fees



Affiliate Funds - Plan Comparison

	MKT VAL \$(000's)	1 Month	Quarterly	FYTD	CYTD	1 Year	3 Year	5 Year	10 Year
CALPERS CERBT FUND CERBT POLICY INDEX	1,708,560	-0.46 -0.45	4.02 3.89	23.39 23.22	4.02 3.89	13.67 13.80	2.76 2.70		
CALPERS HEALTH CARE BOND FUND BC AGGREGATE (DAILY)	444,939	0.09 0.06	0.86 0.42	2.82 1.57	0.86 0.42	5.41 5.12	5.54 5.30	6.03	5.56
COMP-JUDGES RETIREMENT FUND 91 DAY TREASURY BILL (DAILY)	48,829	0.02 0.03	0.06 0.05	0.21 0.13	0.06 0.05	0.26 0.16	0.83 0.51	2.51 2.23	2.38 2.24
JRS II TOTAL PLAN CAL JRS II POLICY INDEX	538,822	-0.36 -0.33	3.54 3.30	19.89 19.50	3.54 3.30	12.89 12.99	3.31 3.31	4.25 4.31	5.37 5.34
LRS TOTAL PLAN CAL LRS POLICY INDEX (DAILY)	122,949	-0.02 0.04	2.94 2.63	13.73 12.95	2.94 2.63	11.22 11.05	5.39 4.76	5.82 5.50	5.81 5.90
LTC TOTAL PLAN CAL LONG TERM CARE POLICY INDEX (DAILY)	3,191,847	-0.19 -0.16	3.56 3.33	18.41 17.82	3.56 3.33	12.76 12.62	4.56 4.35	5.15 5.04	5.61 5.45
COMP-CONTINGENCY RESERVE FUND 91 DAY TREASURY BILL (DAILY)	6,106	0.02 0.03	0.06 0.05	0.20 0.13	0.06 0.05	0.25 0.16	0.83 0.51	2.51 2.23	2.39 2.24

Affiliate Funds Reports

CALIFORNIA PUBLIC EMPLOYEES' RETIREMENT SYSTEM
Period Ending: Mar 31, 2011

Plan Performance Summary *Net of Manager Fees*



Affiliate Funds - Plan Comparison

	MKT VAL \$(000's)	1 Month	Quarterly	FYTD	CYTD	1 Year	3 Year	5 Year	10 Year
CALPERS CERBT FUND <i>CERBT POLICY INDEX</i>	1,708,560	-0.46 -0.45	4.02 3.89	23.39 23.22	4.02 3.89	13.67 13.80	2.76 2.70		
CALPERS HEALTH CARE BOND FUND <i>BC AGGREGATE (DAILY)</i>	444,939	0.09 0.06	0.86 0.42	2.82 1.57	0.86 0.42	5.41 5.12	5.54 5.30	6.03	5.56
COMP-JUDGES RETIREMENT FUND <i>91 DAY TREASURY BILL (DAILY)</i>	48,829	0.02 0.03	0.06 0.05	0.21 0.13	0.06 0.05	0.26 0.16	0.83 0.51	2.51 2.23	2.38 2.24
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